

**MONDAY, MARCH 4, 1985**

**SEVENTEENTH LEGISLATIVE DAY**

The House met at 5:00 p.m. and was called to order by Mr. Speaker McWherter.

The proceedings were opened with prayer by Brother Terry Davenport, Pastor, Blackman Church of Christ, Murfreesboro, Tennessee.

Representative Hobbs led the House in the Pledge of Allegiance to the Flag.

**NEW REPRESENTATIVE APPOINTED**

The Speaker presented the Honorable Joseph R. Treadway who was appointed by the Carter County Court earlier today to fill the vacancy created by the death of Frank Bob Percy, State Representative from the Fourth Representative District.

**CERTIFICATION OF APPOINTMENT**

This is to certify that at a Special meeting of the Legislative Body of Carter County, Tennessee, which met on March the 4th., 1985. that Joe Treadway was duly appointed to fill the vacancy of the 4th., Legislative District of the General Assembly of the State of Tennessee, until the election of same, said election being called by the Governor of the State of Tennessee.

Goldie B. Pierce  
County Clerk

This March 4, 1985

Truman Clark  
County Executive

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**OATH OF OFFICE**

The Speaker administered the Oath of Office to Representative Treadway.

The roll call was taken with the following results:

Present . . . . . 93

Representatives present were: Bell, Bewley, Bivens, Bragg, Brewer, Buck, Burnett, Byrd, Chiles, Clark (Davidson), Clark (Sumner), Collier, Copeland, Covington, Crain, Cross, Curlee, Darnell, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DeBerry, DePriest, Dills, Duer, Ellis, Frensley, Gafford, Gaia, Garrett, Gill, Harrill, Hassell, Henry, Hillis, Hobbs, Hurley, Huskey, Ivy, Jared, Jones, Kent, Kernell, King, Kisber, Lawson, Love, May, McAfee, McCroskey, McNally, Miller, Montgomery, Moody, Moore (Shelby), Moore (Sullivan), Murphy, Murray, Naifeh, Nance, Napier, Peroulas, Phillips, Pruitt, Rhinehart, Ridgeway, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Scruggs, Severance, Stafford, Stallings, Starnes, Swann, Tankersley, Tanner, Treadway, Turner (Hamilton), Turner, L. (Shelby), Ussery, Webb, West, Wheeler, Whitson, Williams, Wix, Wolfe, Wood, Work, Yelton and Mr. Speaker McWherter--93.

The Speaker announced that Representative Dixon was excused because of business.

The Speaker announced that Representatives Chris Turner and Shirley were excused because of car trouble.

**MESSAGE FROM THE GOVERNOR**

**MR. SPEAKER:**

I am directed by the Governor to return herewith: House Joint Resolution No. 102 with his approval.

**WILLIAM H. INMAN,**  
Counsel to the Governor.

**ENROLLED BILLS**

**MR. SPEAKER:**

Your Chief Engrossing Clerk begs leave to report that we have carefully compared House Bills Nos. 728 and 788; House Resolutions Nos. 13 and 14; and House Joint Resolutions Nos. 72, 74, 75, 76, 80, 81, 82, 84, 86, 87, 88, 95, 103 and 126; and find same correctly enrolled and ready for the signatures of the Speakers.

**MARILYN EVELYN HAND,**  
Chief Engrossing Clerk.

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**MESSAGE FROM THE SENATE**

MR. SPEAKER: I am directed to transmit to the House, Senate Bills Nos. 33, 34, 35, 112, 352, 427 and 665; and Senate Joint Resolutions Nos. 15 and 39, all for the signature of the Speaker.

CLYDE W. McCULLOUGH, JR.,  
Chief Clerk.

**SIGNED**

The Speaker announced that he had signed the following: House Bills Nos. 728 and 788; House Resolutions Nos. 13 and 14; House Joint Resolutions Nos. 72, 74, 75, 76, 80, 81, 82, 84, 86, 87, 88, 95, 103 and 126; Senate Bills Nos. 33, 34, 35, 112, 352, 427 and 665; and Senate Joint Resolutions Nos. 15 and 39.

**CALENDAR**

House Bill No. 300--To amend Tennessee Securities Act.

On motion, House Bill No. 300 was made to conform with Senate Bill No. 85.

On motion, Senate Bill No. 85, on same subject, was substituted for House Bill No. 300.

Mr. Scruggs moved that Senate Bill No. 85 be passed on third and final consideration, which motion prevailed by the following vote:

Ayes . . . . .	90
Noes . . . . .	0

Representatives voting aye were: Bell, Bewley, Bivens, Bragg, Brewer, Buck, Burnett, Byrd, Chiles, Clark (Davidson), Clark (Sumner), Cobb, Collier, Covington, Crain, Cross, Curlee, Darnell, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DePriest, Dills, Duer, Ellis, Frensley, Gafford, Gaia, Garrett, Gill, Harrill, Hassell, Henry, Hillis, Hobbs, Hurley, Huskey, Ivy, Jared, Kent, Kernell, King, Kisber, Lawson, Love, May, McAfee, McCroskey, McNally, Miller, Montgomery, Moody, Moore (Shelby), Moore (Sullivan), Murphy, Murray, Naifeh, Nance, Napier, Peroulas, Phillips, Pruitt, Rhinehart, Ridgeway, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Scruggs, Severance, Stafford, Stallings, Starnes, Swann, Tankersley, Tanner, Treadway, Turner (Hamilton), Ussery, Webb, West, Wheeler, Whitson, Williams, Wix, Wolfe, Wood, Work, Yelton and Mr. Speaker McWherter--90.

A motion to reconsider was tabled.

Mr. Speaker McWherter relinquished the Chair to Mr. Bivens, Speaker Pro tem.

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House Bill No. 485--To make certain provisions, petroleum products.

Mr. Scruggs moved that House Bill No. 485 be passed on third and final consideration, which motion prevailed by the following vote:

Ayes . . . . .	90
Noes . . . . .	0

Representatives voting aye were: Bell, Bewley, Bivens, Bragg, Brewer, Buck, Burnett, Byrd, Chiles, Clark (Davidson), Clark (Sumner), Cobb, Collier, Covington, Crain, Cross, Curlee, Darnell, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DePriest, Dills, Duer, Ellis, Frensley, Gafford, Gaia, Garrett, Gill, Harrill, Hassell, Henry, Hillis, Hobbs, Hurley, Huskey, Ivy, Jared, Kent, Kernell, King, Kisber, Lawson, Love, May, McAfee, McCroskey, McNally, Miller, Montgomery, Moody, Moore (Shelby), Moore (Sullivan), Murphy, Murray, Naifeh, Nance, Napier, Peroulas, Phillips, Pruitt, Rhinehart, Ridgeway, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Scruggs, Severance, Stafford, Stallings, Starnes, Swann, Tankersley, Tanner, Treadway, Turner (Hamilton), Ussery, Webb, West, Wheeler, Whitson, Williams, Wix, Wolfe, Wood, Work, Yelton and Mr. Speaker McWherter--90.

A motion to reconsider was tabled.

House Bill No. 37--To regulate distribution of alcoholic beverages.

Mr. Rhinehart moved that House Bill No. 37 be passed on third and final consideration.

Mr. Miller moved to amend as follows:

**AMENDMENT NO. 1**

Amend House Bill No. 37 by renumbering Section 3 to be Section 4 and by adding a new Section 3 as follows:

SECTION 3. If any provision of this act or of Section 57 -3-301 or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act or the section which can be given effect without the invalid provision or application and to that end the provisions of this act and that section are declared to be severable.

On motion, the amendment was adopted.

Thereupon, House Bill No. 37, as amended, passed its third and final consideration by the following vote:

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Ayes . . . . .	76
Noes . . . . .	11
Present and not voting . . . . .	1

Representatives voting aye were: Bell, Bewley, Bivens, Bragg, Brewer, Burnett, Byrd, Clark (Davidson), Clark (Sumner), Cobb, Collier, Copeland, Covington, Crain, Cross, Curlee, Darnell, Davidson, Davis (Gibson), Davis (Knox), DePriest, Dills, Duer, Ellis, Gafford, Gaia, Garrett, Gill, Hassell, Henry, Hillis, Hobbs, Hurley, Ivy, Jared, Kent, Kernell, King, Kisber, Love, McAfee, McCroskey, McNally, Miller, Montgomery, Moore (Shelby), Murphy, Murray, Naifeh, Napier, Peroulas, Phillips, Pruitt, Rhinehart, Ridgeway, Robinson (Davidson), Robinson (Hamilton), Scruggs, Severance, Stafford, Stallings, Starnes, Swann, Tanner, Turner (Hamilton), Ussery, Webb, West, Wheeler, Whitson, Williams, Wix, Wood, Work, Yelton and Mr. Speaker McWherter --76.

Representatives voting no were: Chiles, Davis (Cocke), Frensley, Harrill, Huskey, Lawson, Moody, Moore (Sullivan), Robinson (Washington), Tankersley and Wolfe--11.

Representative present and not voting was: Buck--1.

A motion to reconsider was tabled.

House Bill No. 293--To provide filing deadline, applications for tax exemptions.

Mr. Rhinehart moved that House Bill No. 293 be passed on third and final consideration, which motion prevailed by the following vote:

Ayes . . . . .	89
Noes . . . . .	0

Representatives voting aye were: Bell, Bewley, Bivens, Bragg, Brewer, Buck, Burnett, Byrd, Chiles, Clark (Davidson), Clark (Sumner), Cobb, Collier, Copeland, Covington, Crain, Cross, Curlee, Darnell, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DePriest, Dills, Duer, Ellis, Frensley, Gafford, Gaia, Garrett, Gill, Harrill, Hassell, Henry, Hillis, Hobbs, Hurley, Huskey, Ivy, Jared, Kent, Kernell, King, Kisber, Lawson, Love, McAfee, McCroskey, McNally, Miller, Montgomery, Moody, Moore (Shelby), Moore (Sullivan), Murphy, Murray, Naifeh, Nance, Napier, Peroulas, Phillips, Rhinehart, Ridgeway, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Scruggs, Severance, Stafford, Stallings, Starnes, Swann, Tankersley, Tanner, Treadway, Turner (Hamilton), Ussery, Webb, West, Wheeler, Whitson, Williams, Wix, Wolfe, Wood, Work, Yelton and Mr. Speaker McWherter--89.

A motion to reconsider was tabled.

House Bill No. 260--To make certain provisions, employment security law.

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Mr. Buck moved that House Bill No. 260 be passed on third and final consideration, which motion prevailed by the following vote:

Ayes . . . . .	90
Noes . . . . .	0

Representatives voting aye were: Bell, Bewley, Bivens, Bragg, Brewer, Buck, Burnett, Byrd, Chiles, Clark (Davidson), Clark (Sumner), Cobb, Collier, Covington, Crain, Cross, Curlee, Darnell, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DePriest, Dills, Duer, Ellis, Frensley, Gafford, Gaia, Garrett, Gill, Harrill, Hassell, Henry, Hillis, Hobbs, Hurley, Huskey, Ivy, Jared, Kent, Kernell, King, Kisber, Lawson, Love, May, McAfee, McCroskey, McNally, Miller, Montgomery, Moody, Moore (Shelby), Moore (Sullivan), Murphy, Murray, Naifeh, Nance, Napier, Peroulas, Phillips, Pruitt, Rhinehart, Ridgeway, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Scruggs, Severance, Stafford, Stallings, Starnes, Swann, Tankersley, Tanner, Treadway, Turner (Hamilton), Ussery, Webb, West, Wheeler, Whitson, Williams, Wix, Wolfe, Wood, Work, Yelton and Mr. Speaker McWherter--90.

A motion to reconsider was tabled.

House Bill No. 262--To exempt certain organization from filing fees.

Mr. Buck moved that House Bill No. 262 be passed on third and final consideration, which motion prevailed by the following vote:

Ayes . . . . .	94
Noes . . . . .	0

Representatives voting aye were: Bell, Bewley, Bivens, Bragg, Brewer, Buck, Burnett, Byrd, Chiles, Clark (Davidson), Clark (Sumner), Cobb, Collier, Copeland, Covington, Crain, Cross, Curlee, Darnell, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DeBerry, DePriest, Dills, Duer, Ellis, Frensley, Gafford, Gaia, Garrett, Gill, Harrill, Hassell, Henry, Hillis, Hobbs, Hurley, Huskey, Ivy, Jared, Jones, Kent, Kernell, King, Kisber, Lawson, Love, May, McAfee, McCroskey, McNally, Miller, Montgomery, Moody, Moore (Shelby), Moore (Sullivan), Murphy, Murray, Naifeh, Nance, Napier, Peroulas, Phillips, Pruitt, Rhinehart, Ridgeway, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Scruggs, Severance, Stafford, Stallings, Starnes, Swann, Tankersley, Tanner, Treadway, Turner (Hamilton), Turner, L. (Shelby), Ussery, Webb, West, Wheeler, Whitson, Williams, Wix, Wolfe, Wood, Work, Yelton and Mr. Speaker McWherter--94.

A motion to reconsider was tabled.

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**CONSENT CALENDAR**

**OBJECTIONS**

An objection was filed to the following resolution on the Consent Calendar:

Mr. Clark (Sumner) objected to House Joint Resolution No. 118.

Mr. Severance moved that House Joint Resolution No. 118 be voted on after the Consent Calendar, which motion prevailed.

House Joint Resolution No. 115--Relative to honoring Cleveland High School.

House Joint Resolution No. 116--Relative to honoring Aerojet Heavy Metals Company.

House Joint Resolution No. 117--Relative to honoring James Alan Gill.

House Joint Resolution No. 119--Relative to commending Floyd E. Clift.

House Joint Resolution No. 120--Relative to honoring Oliver Joshua Nunn.

House Joint Resolution No. 122--Relative to expressing sorrow at death, William M. Leech, Sr.

House Joint Resolution No. 123--Relative to honoring Charles H. Collidge.

House Joint Resolution No. 125--Relative to congratulating Don Royston.

House Bill No. 1024--To amend charter, Bolivar.

House Bill No. 1025--To make certain provisions, Reelfoot Levee District.

House Bill No. 1026--To make certain provisions, Madrid Bend Levee District.

Mr. Gill moved that all House Bills on the Consent Calendar be passed on third and final consideration, and all House Joint Resolutions on the Consent Calendar be adopted, which motion prevailed by the following vote:

Ayes . . . . .	94
Noes . . . . .	0

Representatives voting aye were: Bell, Bewley, Bivens, Bragg, Brewer, Buck, Burnett, Byrd, Chiles, Clark (Davidson), Clark (Sumner),

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Cobb, Collier, Copeland, Covington, Crain, Cross, Curlee, Darnell, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DeBerry, DePriest, Dills, Duer, Ellis, Frensley, Gafford, Gaia, Garrett, Gill, Harrill, Hassell, Henry, Hillis, Hobbs, Hurley, Huskey, Ivy, Jared, Jones, Kent, Kernell, King, Kisber, Lawson, Love, May, McAfee, McCroskey, McNally, Miller, Montgomery, Moody, Moore (Shelby), Moore (Sullivan), Murphy, Murray, Naifeh, Nance, Napier, Peroulas, Phillips, Pruitt, Rhinehart, Ridgeway, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Scruggs, Severance, Stafford, Stallings, Starnes, Swann, Tankersley, Tanner, Treadway, Turner (Hamilton), Turner, L. (Shelby), Ussery, Webb, West, Wheeler, Whitson, Williams, Wix, Wolfe, Wood, Work, Yelton and Mr. Speaker McWherter--94.

A motion to reconsider was tabled.

House Joint Resolution No. 118--Relative to proclaiming December 7, 1985, Pearl Harbor Day--By Severance.

Mr. Severance moved that House Joint Resolution No. 118 be adopted, which motion prevailed by the following vote:

Ayes . . . . .	94
Noes . . . . .	0

Representatives voting aye were: Bell, Bewley, Bivens, Bragg, Brewer, Buck, Burnett, Byrd, Chiles, Clark (Davidson), Clark (Sumner), Cobb, Collier, Copeland, Covington, Crain, Cross, Curlee, Darnell, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DeBerry, DePriest, Dills, Duer, Ellis, Frensley, Gafford, Gaia, Garrett, Gill, Harrill, Hassell, Henry, Hillis, Hobbs, Hurley, Huskey, Ivy, Jared, Jones, Kent, Kernell, King, Kisber, Lawson, Love, May, McAfee, McCroskey, McNally, Miller, Montgomery, Moody, Moore (Shelby), Moore (Sullivan), Murphy, Murray, Naifeh, Nance, Napier, Peroulas, Phillips, Pruitt, Rhinehart, Ridgeway, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Scruggs, Severance, Stafford, Stallings, Starnes, Swann, Tankersley, Tanner, Treadway, Turner (Hamilton), Turner, L. (Shelby), Ussery, Webb, West, Wheeler, Whitson, Williams, Wix, Wolfe, Wood, Work, Yelton and Mr. Speaker McWherter--94.

A motion to reconsider was tabled.

Mr. Murray moved that the rules be suspended for the purpose of introducing House Joint Resolution No. 132 out of order, which motion prevailed.

House Joint Resolution No. 132--Relative to expressing support federal funding for certain research, UT Space Institute--By Murray, Hillis, Curlee and Rhinehart.

On motion, the rules were suspended for the immediate consideration of the resolution.

On motion of Mr. Murray, the resolution was adopted.



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A motion to reconsider was tabled.

### BILL RE-REFERRED

On motion of Mr. Gill, House Bill No. 616 was recalled from the Committee on Calendar and Rules.

On motion of Mr. Gill, House Bill No. 616 was referred to the Committee on Finance, Ways and Means.

### SECOND ROLL CALL

A roll call was taken with the following results:

Present . . . . . 94

Representatives present were: Bell, Bewley, Bivens, Bragg, Brewer, Buck, Burnett, Byrd, Chiles, Clark (Davidson), Clark (Sumner), Cobb, Collier, Copeland, Covington, Crain, Cross, Curlee, Darnell, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DeBerry, DePriest, Dills, Duer, Ellis, Frensley, Gafford, Gaia, Garrett, Gill, Harrill, Hassell, Henry, Hillis, Hobbs, Hurley, Huskey, Ivy, Jared, Jones, Kent, Kernell, King, Kisber, Lawson, Love, May, McAfee, McCroskey, McNally, Miller, Montgomery, Moody, Moore (Shelby), Moore (Sullivan), Murphy, Murray, Naifeh, Nance, Napier, Peroulas, Phillips, Pruitt, Rhinehart, Ridgeway, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Scruggs, Severance, Stafford, Stallings, Starnes, Swann, Tankersley, Tanner, Treadway, Turner (Hamilton), Turner, L. (Shelby), Ussery, Webb, West, Wheeler, Whitson, Williams, Wix, Wolfe, Wood, Work, Yelton and Mr. Speaker McWherter--94.

Mr. Yelton moved that the rules be suspended for the purpose of introducing House Joint Resolution No. 131 out of order, which motion prevailed.

House Joint Resolution No. 131--Relative to honoring Dobyns-Bennett High School girl's swim team--By Yelton, Montgomery and Moore (Sullivan).

On motion, the rules were suspended for the immediate consideration of the resolution.

On motion of Mr. Yelton, the resolution was adopted.

A motion to reconsider was tabled.

### INTRODUCTION OF RESOLUTION

House Joint Resolution No. 130--Relative to urging Congress to enact sobbuster legislation--By Byrd.

The Speaker referred House Joint Resolution No. 130 to the Committee on Agriculture.

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**RESOLUTIONS LYING OVER**

Senate Joint Resolution No. 46--Relative to commending former Attorney General William M. Leech, Jr.

Under the rules, Senate Joint Resolution No. 46 was referred to the Committee on Calendar and Rules.

Senate Joint Resolution No. 52--Relative to urging support, Medicare Waiver, Courtney Parham.

The Speaker referred Senate Joint Resolution No. 52 to the Committee on General Welfare.

Senate Joint Resolution No. 58--Relative to memorializing the late James Lee Case.

Under the rules, Senate Joint Resolution No. 58 was referred to the Committee on Calendar and Rules.

**INTRODUCTION OF BILLS**

House Bill No. 1033--To make certain provisions coon dog training Lake County--By Tanner.

Passed first consideration.

House Bill No. 1034--To make certain provisions, Coffee County Hospital District--By Curlee.

Passed first consideration.

House Bill No. 1035--To enact Local Option Earnings Privilege Tax Act--By Rhinehart.

Passed first consideration.

**SENATE BILLS ON FIRST CONSIDERATION**

Senate Bill No. 81--To impose fee, reinstatement, corporate charters.

Passed first consideration.

Senate Bill No. 161--To provide certain exemptions, certain refresher programs.

Passed first consideration.

Senate Bill No. 175--To regulate selection of names, jury lists.

Passed first consideration.

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Senate Bill No. 261--To regulate awarding, certain attorney fees.

Passed first consideration.

Senate Bill No. 281--To regulate emergency communications district boards.

Passed first consideration.

Senate Bill No. 294--To regulate games of chance.

Passed first consideration.

Senate Bill No. 997--To make certain transfers, Juvenile Court Clerk, Williamson County.

Passed first consideration.

### **HOUSE BILLS ON SECOND CONSIDERATION**

House Bill No. 1029--To make certain provisions, Bledsoe County Schools.

Passed second consideration and held without reference.

House Bill No. 1030--To amend Emergency Communications Districts Law.

Passed second consideration and referred to Committee on State and Local Government.

House Bill No. 1031--To close fox season, Washington County.

Passed second consideration and referred to Committee on Conservation and Environment.

House Bill No. 1032--To make certain provisions, Knox County litigation tax.

Passed second consideration and held without reference.

### **REPORT OF COMMITTEE ON CALENDAR AND RULES**

MR. SPEAKER: Your Committee on Calendar and Rules begs leave to report that we have met and set the following bills on the Calendar for Wednesday, March 6, 1985: House Bills Nos. 135, 53, 359, 73, 315, 288, 397, 398, 399 and 473.

GILL, Chairman.

### **LOCAL BILLS TRANSMITTED TO CALENDAR AND RULES**

In accordance with Rule No. 47, the following local bills, having received authorization for passage by the local legislative

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delegation, were transmitted to the Committee on Calendar and Rules: House Bills Nos. 552 and 553.

**REPORT OF COMMITTEE ON CALENDAR AND RULES**

**CONSENT CALENDAR**

**MR. SPEAKER:** The officers of your Committee on Calendar and Rules beg leave to report that we have met and set the following bills on the Consent Calendar for Wednesday, March 6, 1985: Senate Joint Resolutions Nos. 46, 58; and House Bills Nos. 552 and 553.

GILL, Chairman.

**ENGROSSED BILLS**

**MR. SPEAKER:**

Your Chief Engrossing Clerk begs leave to report that we have carefully examined House Joint Resolutions Nos. 131 and 132; and find same correctly engrossed and ready for transmission to the Senate.

MARILYN EVELYN HAND,  
Chief Engrossing Clerk.

**SPONSORS ADDED**

Without objection, the rules were suspended to allow the following members to add their names as sponsors to the bills as indicated below, the prime sponsor of each having agreed to such addition:

House Bill No. 355--Clark (Sumner)

House Bill No. 495--Byrd, Rhinehart, Peroulas, Turner (Hamilton)

House Bill No. 603--Bragg

House Bill No. 805--McNally

**MESSAGE FROM THE SENATE**

**MR. SPEAKER:** I am directed to return to the House, House Bill No.:

446--To regulate transfers of property, Lincoln County; substituted for Senate Bill on same subject and passed by the Senate.

CLYDE W. McCULLOUGH, JR.,  
Chief Clerk.

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**MESSAGE FROM THE SENATE**

MR. SPEAKER: I am directed to transmit to the House, Senate Joint Resolution No.:

60--Relative to congratulating Coach Bruce Stewart and MTSU basketball team; adopted for concurrence.

CLYDE W. McCULLOUGH, JR.,  
Chief Clerk.

**MESSAGE FROM THE SENATE**

MR. SPEAKER: I am directed to return to the House, House Joint Resolutions Nos.:

89--Relative to honoring Royce Johns;

91--Relative to congratulating Marshall County High School football team;

94--Relative to honoring Pam Farmer;

97--Relative to congratulating Martha Elizabeth "Marty" Browning;

98--Relative to congratulating Gordonsville High School football team;

99--Relative to honoring Red Cross Water Safety Program, Bradley County;

101--Relative to memory, Reverend R. Fenton Warren;

108--Relative to commemorating anniversary, Sevier County local government;

121--Relative to congratulating Guy B. Darst; all concurred in by the Senate.

CLYDE W. McCULLOUGH, JR.,  
Chief Clerk.

**ENGROSSED BILLS**

MR. SPEAKER:

Your Chief Engrossing Clerk begs leave to report that we have carefully examined House Bills Nos. 37, 260, 262, 293, 485, 1024, 1025 and 1026; House Joint Resolutions Nos. 115, 116, 117, 118, 119, 120,

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122, 123 and 125; and find same correctly engrossed and ready for transmission to the Senate.

MARILYN EVELYN HAND,  
Chief Engrossing Clerk.

Mr. Naifeh moved that the House recess until 6:00 p.m. for the purpose of meeting with the Senate in Joint Convention, and further moved that at the conclusion of the Joint Convention, the House adjourn until 2:00 p.m. Wednesday, March 6, 1985, which motion prevailed.

**IN JOINT CONVENTION**

The hour having arrived, set by House Joint Resolution No. 90 --Relative to Joint Convention, Governor's State-of-State Address, the Senate met with the House in Joint Convention.

The Joint Convention was called to order by Mr. Speaker Wilder, President of the Joint Convention.

On motion of Senator Hamilton, the roll call of the Senate was dispensed with.

On motion of Representative Naifeh, the roll call of the House was dispensed with.

Thereupon, the Clerk of the Senate read House Joint Resolution No. 90 authorizing the Joint Convention.

Representative Naifeh moved that the President appoint a committee composed of six members from the Senate and six members from the House to notify the Governor that the Joint Convention was in session and awaiting his arrival, which motion prevailed.

Mr. President Wilder appointed the following committee to notify the Governor: Senators Atchley, Crutchfield, Davis, Garland, O'Brien and Thomas; Representatives Gafford, Henry, Huskey, Love, Scruggs and Williams. Senator Garland will serve as Chairman of this Committee.

Mr. President Wilder recognized the Chief Clerk of the House, Bryant Millsaps, for introduction of guests.

Mr. Millsaps introduced the following guests who were escorted to the front of the House Chamber and seated:

The Chief Justice and the Associate Justices of the Tennessee Supreme Court;

The Honorable Mike Cody, Attorney General and Reporter;

The Honorable Cletus McWilliams, Executive Secretary of the Supreme Court;

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The Honorable Jane Eskind, the Honorable Frank D. Cochran, and the Honorable Keith Bissell, members of the Public Service Commission;

The Honorable Gentry Crowell, Secretary of State;

The Honorable Harlan Mathews, State Treasurer;

The Honorable William R. Snodgrass, Comptroller of the Treasury;

The Members of the Governor's Cabinet and Staff;

Mr. President Wilder recognized Mrs. Lamar Alexander and children.

The Joint Convention recessed pending the arrival of the Honorable Lamar Alexander, Governor of the State of Tennessee.

The Joint Convention was called to order by Mr. President Wilder.

On motion, the roll calls of the House and the Senate were dispensed with.

Senator Garland announced that the Governor was at the entrance of the House.

The Committee escorted the Honorable Lamar Alexander, Governor of the State of Tennessee, to the Clerk's rostrum where he delivered the following budget message:

### **GOVERNOR'S STATE-OF-STATE ADDRESS**

Governor Wilder, Speaker McWherter, members of the 94th General Assembly, members of the Cabinet and my fellow Tennesseans.....

I am glad to report tonight that the state of the state of Tennessee is good and getting better.

And I can report that the Tennessee Legislature is one big reason that's true.

You've been willing to help shape Tennessee's future, not just to await the future.

You've led the nation in making changes for better schools.

You've started a 20-year program to make sure we have enough safe water.

You pushed programs to help our children grow up healthy.

You've made new investments in computers for our children, in job training for adults, in a new Technology Corridor and innovation centers for the jobs of the future.

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You've avoided the easy quick fix and worked on the hard long term.

And you've been willing to pay the bill for what you've done.

Tennessee is becoming known for political leadership that is willing to shape the future of the state and to be aggressive about it.

It is tempting to take these minutes to pat ourselves on the back.

- \* for consecutive billion dollar years in industrial development;

- \* for having a higher percentage of high technology jobs than any other southeastern state;

- \* for having 12 percent of all the Japanese investment in the entire country;

- \* for the nationally awarded "A's" for our efforts to reward outstanding teaching;

- \* for eight new million dollar university chairs of excellence with more on the way;

- \* for going from the bottom five states to the top five in film, tape and music production;

- \* and, especially for doing all this while reducing the state's debt and keeping state taxes among the lowest state taxes in America.

That is the kind of thing you usually hear in a state of the state address.

But I would rather spend the time standing on the rooftop and looking as far as I can see.

We've been doing well.

But now is no time to become complacent or timid...or to freeze the ball in the second half of the game just because we are beginning to get a lead.

So let me get right to my point.

There are four big areas of concern, of real need, that sooner or later the leadership and the people of Tennessee are going to have to address.

- \* We need a brand new tax system.



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\* We must have more parent involvement if we really want the best schools.

\* We need to complete and upgrade our state road system.

\* And we've got to find ways to punish more state prisoners at less cost.

We can hand off these problems to the next Governor and to future lawmakers. The state will survive.

But that would be a mistake...and it would not be typical of this Legislature.

These four needs offer either long term problems or long term opportunities for Tennesseans.

If we're satisfied to await the future -- to sit on our lead -- they become very big and dangerous problems.

If we continue to be aggressive about shaping the future, they represent very big opportunities.

If we wait, some Legislature, someday, will end up responding to a crisis in each area -- which will produce a tax system none of us wants, schools that disappoint us, an unreliable road system that will take 10 years to fix, and a bill for operating the prisons that will empty your pocketbook.

The smart thing to do is to start now -- while we still have some time to get ready for the 1990's -- to shape the future years. We can move in an orderly and thoughtful way.

Taxes. Schools. Roads. Prisons. Four of the great concerns of state government.

\* \* \* \* \*

### **1. A Brand New Tax System**

We can get along, for a while, with the taxes we have today.

Our business taxes are moderate.

Our property taxes -- although most Tennesseans don't beleive it -- are lower than in most states.

Our sales tax is higher than most states, but that has helped make us one of ten states with no income tax on wages or salaries.

Overall, our state tax collections are among the lowest in the country; only two states have lower per capita state taxes.

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And -- if the Legislature keeps the sales tax on food -- there is money to pay all our bills for the next 5 or 6 years.

But the tax structure we've got today simply won't be good enough for the 1990's.

Your legislative task force on state and local tax structure has come to the same conclusion.

Representative Bragg and Senator Dunavant have reported to you on the Committee's two years of excellent work.

I agree with them that, for three reasons, we need a new tax system.

For one thing, the system we've got is too complicated. On this podium is a big stack of the state's tax forms and regulations.

Second, our present system isn't fair. It doesn't treat all taxpayers alike. Some get a free ride:

-- doctors don't pay, but plumbers do;

-- lawyers are exempt, but florists aren't;

-- the local sales tax is the same on a \$1,100 used car as it is on a \$35,000 Mercedes.

And third, the system we've got won't produce the money we need to have the kind of state we want Tennessee to be in the 1990's.

We don't want a tax system that collects money faster than our income grows, but we do need one that keeps up with growing income; our present system falls behind.

When I talk about the amount of money we will need for the 1990's, I hope you will not mix us up with our friends in the federal government in Washington.

The federal government is a financial mess. In six years, they have doubled every Tennessean's share of the federal debt and have taken money out of your pocket faster than you could make it.

Meanwhile, our state government is one of only 12 with a Triple -A bond rating. The Legislature has reduced our state debt, and state taxes as a percentage of your income have decreased 10 percent since 1978.

The federal and state governments work on very different things.

The federal government's budget goes for war, welfare, social security and debt payments. That's 84 percent of it.

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State governments -- using a lot less money -- pay most of the bills for higher education, prisons and mental health, and with local governments, most of the bills for roads and schools.

So, if war breaks out, or social security goes broke, or welfare goes up or down, that's the job of somebody in Washington.

But if we want first rate schools, roads without potholes, investments for new jobs and prisons that will hold dangerous criminals, then we are going to have to have an adequate tax system.

For the last 25 years we have made ends meet with some "free money" from Washington.

Now that Washington realizes it is broke, that gravy train will end. That suits me fine because I would rather see more power to make decisions in the hands of officials closer to the people. But it means some of those decisions are going to be hard decisions because it will take some real Tennessee money.

\* \* \* \* \*

There are only three ways to make real changes in our tax system. Your legislative committee outlined them.

One is to change the way we collect personal taxes by adding a general income tax and reducing other personal taxes. I will discuss that in a minute.

A second way is to replace most business taxes with a value added tax or single business tax. That option has some promise. But the more we study it, the more complicated it looks.

A third way to change our system is to tax people who are now getting a free ride. That's why we need to start from scratch. We will never get a fair system that applies to everyone if we have to battle every special interest one-by-one through the legislative process.

As a part of tax reform, we must realize that local governments need more ways to pay their bills or the state must assume some of their costs, such as education costs. Cities and counties have relied on Washington to pay for their bus drivers' salaries, for economic development, for city streets, for water lines and even for operating funds. And Washington is running out of money.

I pledge now to work hard to get Tennessee well down the road toward a new tax system.

But I will oppose any tax reform proposal that does not meet these tests:

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1. It must not raise taxes; new taxes should replace existing taxes.

2. It must treat all taxpayers alike. We should end the free rides.

3. It must be simple.

4. If it includes a general income tax, that must be a flat rate tax and the voters must have the power to reject any increase in its rate.

It may come as a shock to some people that I am willing to consider a flat-rate income tax as part of a balanced tax program for the 1990's.

I've only had one problem with a flat-rate income tax: I don't trust us politicians with it.

I know that some of you disagree strongly with me on this. But I cannot favor an income tax that legislators can raise every year. The only experience I have had with paying a tax like that is the Federal Income Tax, and it scares me to death.

I would not object, and I don't believe most Tennesseans would object, to a brand new tax system that does not raise more money but does include a flat rate income tax that cannot be changed if the people say "no". A tax like that is simple, allows no free rides and grows as our income grows.

Any such tax would have to be approved by a vote of the people through constitutional amendment since our constitution may not permit an income tax. At least that is what the Supreme Court said the last two times it spoke on the subject.

Representative Copeland and Senator Longley have given us an idea of what the beginnings of such a new tax system might look like.

They propose that we abolish all state and local taxes -- every one -- and replace them with a tax on income and a tax on sales. Two taxes. That's all. For everybody and everything. No more.

They would get rid of:

--the property tax on your home, and on your business;

-- the Hall income tax on dividends and interest;

-- get rid of all local business taxes;

-- the inheritance tax;

-- all privilege taxes.

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The Copeland-Longley plan meets my tests:

- \* it does not raise taxes;
- \* it treats every taxpayer alike;
- \* it is simple;
- \* and their general income tax is flat-rate and could not be increased if the people say "no".

I have some concerns about their proposal.

I would continue the gasoline tax for roads and the taxes on alcohol and tobacco; this would lower the other tax rates.

I would also have a hard time voting for two income taxes, as they would permit, one at the state and one at the local level.

And I would be satisfied with a cap only on the state income tax. Copeland and Longley would permit any tax to be reinstituted after a year, but only if the people could vote on it. I do not believe it is necessary to have a referendum every time popularly elected officials consider any tax increase: only for the income tax.

How should these changes be made?

Representative Copeland suggests we adopt tax reform by a constitutional amendment through the legislative process.

Senator Longley offers the opportunity for a constitutional convention limited to tax reform.

In either event the Legislative would pass a resolution during 1985 or 1986 to set the wheels in motion for a brand tax system that would treat all taxpayers alike.

The Legislature would act again in 1987 or 1988 if Representative Copeland's method is chosen.

There could be a limited constitutional convention in 1987 with members elected in 1986 if Senator Longley's way is chosen.

In either event, voters would have to approve or disapprove the final result and the new tax system could take effect in 1990, in time for the new decade.

There are some who cannot stomach the possibility of any kind of income tax even if it is flat-rate, repeals other taxes and can't be increased if a majority of the people object.

I understand that feeling. I have felt the same way.

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But I have watched other states and I have considered the alternatives.

I believe it is likely Tennessee will enact some kind of income tax during the 1990's. The only question is when and what kind.

Most states back into it. The scene is familiar. A financial crisis occurs. The Governor closes the schools and parks. The Legislature responds with a hastily conceived, usually progressive, new income tax on top of every other tax.

I have a suggestion for those who can't stomach an income tax in any form: I am a conservative Governor and this is a conservative Legislature. If we are going to have an income tax, this is the group you want to set the rules for it. The big spenders will probably prefer to wait for the crisis.

\* \* \* \* \*

There is one piece of unfinished short-term tax business.

What do we do now while we are waiting for the brand new tax system?

The Legislature last year took the sales tax off food as a way of encouraging serious attention to tax reform. That has worked.

But it also will leave us \$250 million short each year.

I suggest we keep the sales tax on food and concentrate on rebuilding the whole tax structure.

There are 5,000 grocery stores in Tennessee, 4,800 of them medium-sized or small.

Having one sales tax rate for food and another for everything else would cost those grocery stores \$40 or \$50 million for new cash registers alone. That is just a big waste of money. And we can guess who the cost would be passed on to: the people who buy the food. Not one state has sales tax for food and another for everything else.

In three states, local governments are permitted to tax food at a rate different from the state sales tax rate on food. All three -- Arizona, South Dakota and Louisiana -- are having trouble administering the program.

For the time being, the sales tax is the best way to raise funds.

The sales tax rate is high because, if we must have higher state taxes, people prefer - by a 2 to 1 margin - to increase the sales tax rather than have an income tax legislators can change.

Everybody pays it.

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The more they buy the more they pay.

Tourists and businesses pay 25 to 35 percent of the tax.

Governor Wilder's testimony to the Senate last week made the point we all know: the working consumer pays 70 to 80 percent of all the taxes anyway whether it is sales, income, property or gasoline.

It is true that we will have a one-time surplus of funds this year: we will collect about 3 percent more than we thought we would.

There may also be more recurring surplus, money that can be used year in and year out.

That is more money than we expected, but it is not more than we need.

We need new prison capacity.

We need to put teacher aides into the third grade and into kindergarten this year. That is a \$13 million annual cost that was not part of the 3-year budget plan.

We need to help fix potholes on city and county roads.

There may be some federal Medicaid adjustments that are expensive for us.

More than anything else, we need a permanent solution to the annual revenue question. This Legislature has always funded the programs it has passed. We need to settle that issue.

I respect the fact that some members of the General Assembly want to cut taxes.

That is why my budget allocates \$25 million in annual recurring surplus money for tax relief.

With \$14 million of those funds, you could enact the \$5,000 exemption for the Hall income tax that Governor Wilder and Representatives Naifeh, McNally, Duer and others have supported. That would eliminate that tax for 80 percent of the Hall taxpayers.

Some of you want to give complete food tax relief to the poor and the working people.

I would prefer to take the same amount of money and help the working poor by opening some public schools until 5:00 p.m. for their children.

But I will be glad to work with the Legislature to achieve a permanent solution now to Tennessee's revenue needs.

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While we are discussing short-term tax reform, there are two other items the Legislature may wish to consider.

The first is: let the state, instead of local governments, administer the personal property tax. One of the biggest gripes of business is that this tax is unfairly and poorly administered in many localities.

The second is: scale back the maximum local sales tax rate from 2 and 3/4 percent to 2 and 1/4 percent and remove the \$25 cap. This would provide up to \$75 million to local governments and reduce the overall sales tax ceiling by one-half of one percent for everyone. 2. More Parent Involvement: Let Parents Choose Their Child's Public School

If we really want the best schools, we need to get parents -- and volunteers -- more involved in each child's education.

The Better Schools program focuses on the relationship between the teacher and the child. That is exactly where the focus should be.

But the more parents do, the more good a good teacher can do.

The best way to increase parent involvement is to let parents choose the public school -- not the private -- but the public school their child attends.

That already happens a lot in Tennessee.

Let me show you the results when it does.

This is a photograph of parents, standing in line, some of them for up to 30 hours, to enroll their children in Memphis public schools.

There are 27 optional schools in the Memphis City system. Parents of 9,000 children -- including some of those in the photograph -- choose the school that best suits their child.

One of those schools is Grahamwood Elementary School. I was there on Thursday.

Grahamwood has 1,201 students. About 700 of the students are zoned to the school. They are told to go to Grahamwood, usually based upon where they live or upon the local school desegregation plan.

Zoning is the most common method of determining where a child goes to school. You don't choose the school -- unless your parents happen to be rich enough to move to the school district. Not only are you made to go to school, you are told to go to a certain school, and to take certain courses from certain teachers. Only the military draft and land condemnation are more coercive in American life. Somewhere along the way school administrators fell into the rut that



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says you should do all you can to wring the choice out of public school attendance. Now some think it is downright unrespectable to suggest getting out of the rut.

Grahamwood is also a happy example of what choice can do; 500 other students choose to go there. They come from all over Memphis. There are 200 more who want to go, there is no more room.

It would be hard to imagine a more excited and exciting group of teachers and students.

I have invited some of them here so you could meet them.

Margaret Taylor is the principal. Her leadership is the reason every hall in the old school building sparkles with the imagination of students and teachers. Somehow she has found time to serve on the Interim Commission developing the Career Ladder program. The Memphis Education Association has nominated her a principal of the year.

Also from Grahamwood, Connie Austin and Karen Medley are Rotary Club Teachers of the Year. Not only are they good, but everybody must know they are good. Think how nice it must be for teachers to have parents lining up for the privilege of putting children in their classrooms instead of complaining about how bad the schools are getting.

Vennell Harris and Susan Thorp are parents who took time to find out about Grahamwood. They know that 3 of 4 of its teachers have Master degrees, that 43 have joined the Career Ladder, that 5 are working on Level 3 of the Career Ladder and that 16 teachers and three administrators are taking the Tennessee Instructional Model training.

They know about the accelerated classwork in children's classics, choral reading and Spanish and music.

Edith Jacobson and Thomas Gough are among 75 volunteers who help children at Grahamwood. Mrs. Jacobson is a retired postal worker who told me she graduated from high school during the depression and did not have an opportunity to go to college. She always wanted to be a teacher. Now she has a chance to fulfill her dream by helping students who are behind in their work.

Jay Wilton and Denise McNeil are students at Grahamwood. They are the most important visitors of all.

There are problems for an optional school to solve.

One is racial balance. But Grahamwood has 625 white students and 575 blacks.

Another is transportation. The Memphis system works hard to try to help students who live outside the Grahamwood zone.

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No one should assume that poor parents won't work hard to get their child to the school of their choice, even in another zone. They know that, in America, a good education is the passport out of poverty. They know, too, that the biggest problem is zoning is that poor children often get stuck in the worst schools.

The Memphis optional school programs are geared toward the highest achievers.

But Memphis, like most school districts, allows parents to choose among schools with special education programs.

Why should there not also be schools that do an especially good job helping children who arrive unprepared for school, or who fall behind, or who have learning disabilities?

And why not have some schools that stay open until 5:00 p.m. for children of working parents, especially if the school district has a great many single working parents? There might be a line all the way around the block to attend that school.

Pretty soon, all schools could become schools of choice like Grahamwood, attracting parents because they do a first rate job meeting the needs of the children who choose to attend.

One last point: why shouldn't parents who choose a school and who can afford it pay a small tuition? The state would pay the tuition for the parents of children who couldn't afford it.

That is the way eventually to make sure that each child in Tennessee has a chance to go to a school that has enough money to provide a good basic education.

A great many parents pay tuition now to send their children to public school.

In my home county, anyone who lives outside the Alcoa school district can attend Alcoa for \$90 a year. It costs \$300 to go to Maryville schools.

Twenty percent of the students at Elizabethton High School don't live in Elizabethton. They pay \$305 a year to attend.

All that's missing now is that the state isn't paying the tuition for the children who can't afford it.

Some people are probably already crawling under their desks, afraid I'm about to propose a big state law requiring school districts to give every parent a choice of public schools by next year.

Not on your life. I agree with Speaker McWherter on this: we have enough big changes going on in public education right now without requiring anymore. I want to leave the Better Schools program and the

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educators alone and let the program work. The only new education legislation I support this year is in a slightly different area: we should permit elected school boards to hire their own administrative officers, including superintendents. Otherwise it is impossible to tell who is in charge.

My goal is for every local school board to begin thinking now of ways to let parents choose the public schools their children attend.

There are some problems to solve. But some problems become opportunities.

One superintendent told me last week he was about to decide it would be easier to try to let people go where they want to go than it is to try to tell them where they have to go.

There will be some unfamiliar competition among schools. But we have competition now in football, marching bands, and debate. The result is hard work, enthusiastic parents, excitement and championship results. That is not a bad formula for the rest of the school program.

There is one last great advantage.

We can let the marketplace, instead of state rules and regulations, do more of the work to make sure schools are better. Instead of sending a package of new state rules to improve a school, let the community watch each school to see if anyone want to attend it. If no one does, perhaps it is time to admit it might be a lousy school and that we are doing children an injustice by making any of them go there. That school should be closed or reorganized until it can attract a crowd. This is one way to keep local control, instead of state control, of schools.

Give parents more choice and we will see more parent involvement and, in turn, better schools offering all children -- not just children with money -- a first rate education.

### **3. A Completed and Upgraded State Road System**

We need to make our state road system good and safe and ready for the 1990's.

Nothing is more important to working people.

Nothing is more important to a major tourism state.

We have nearly finished the interstate system and made some big improvements in our road system.

But, if we stop now, by 1990, we will be behind again.

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We need to resurface and upgrade our state roads and we need to complete the state system.

Here is what I mean by "completing the system."

Two years ago Old Hickory Boulevard was a county road, partly paid for by property tax payers in Davidson County.

It was one of the busiest roads in the state, a major thoroughfare for shoppers, tourists and commuters who were paying very little to maintain the road.

In 1983 the state assumed the responsibility for the maintenance of Old Hickory Boulevard and 3,300 other miles of city and county roads like it throughout the state -- roads like Hixson Pike in Hamilton County, Gaither-Hinson Road in Lewis County, Macon Road Drive in Fayette County, Sugar Hollow Road in Hamblen County, and the road between Millington and Arlington in Shelby County.

With gasoline tax money, we all now pay to resurface those roads, to widen or otherwise upgrade them if they need it.

There are between 2,000 and 3,000 more miles of city and county roads that should be state roads. Then, 80 percent of all traffic would drive on the state's system of about 15,000 miles of roads, and it would be the state's job to keep those roads in good shape.

It will take more money for the state to keep them in good shape in our growing state.

It will also take more money for cities and counties to maintain the remaining 65,000 miles of road -- which are their responsibility -- even though those roads will be carrying 20 percent of the traffic.

For a permanent solution, I recommend that the Legislature seriously consider legislation such as that proposed by Representative DePriest and Senator Longely to provide new money for our roads.

If the gas tax is increased, it is important that large trucks pay their fair share of the load.

We are resurfacing our roads about every 25 years now. With the new funds, we could resurface every 13 to 15 years; the ideal standard for resurfacing is about every 10 years.

There are roads like Old Hickory Boulevard that should be added now to the state system if they are to be in good shape in even five or 10 years. And cities like Knoxville will continue to pay about 11 percent of their road bill from property taxes as long as the gasoline tax revenues are insufficient.

Not one penny of the state's share of any new gas tax money would go for new roads.

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It would go to increase resurfacing by 50 percent and increase upgrading and rebuilding of roads by 70 percent. It takes several years to upgrade roads. We ought to start now.

\* \* \* \* \*

### **4. Punishing More Prisoners at Less Cost**

Fourth, we must find a way to punish more state prisoners at less cost.

To help explain what needs to be done, I want to introduce you to two men whom many of you know, Judge Herman Reviere and District Attorney Paul Summers from West Tennessee.

These two men are tired of seeing taxpayers ripped off twice: once when the criminal hurts someone, and a second time when we pay \$14,000 a year to house the criminal in a state prison.

It seems to them, and to me, like a second theft of a taxpayer to lock up a non-violent thief at a cost of \$14,000 a year.

Judge Reviere and General Summers -- and other local officials in Lauderdale, Tipton, Fayette, Hardeman and McNairy counties -- have come up with a plan to deal with this problem.

Let me use Judge Reviere's words to describe how he feels about finding new ways to punish some non-violent offenders:

"We can't just spend millions and millions of dollars to build new prisons even though we need to make sure people pay the cost for the crime they commit.

"We've got to come up with something that will make it cheaper on taxpayers of this state.

I agree with him, and we have worked with him to approve a \$117,000 pilot project that will try his idea.

Some non-violent state prisoners will be punished closer to home instead of being sent to the state prison. Here's how:

"They can work for the public," the judge told me. "Or if they stole \$500, maybe we'll require them to pay back a \$1,500, with the extra thousand to go the taxpayers. Perhaps we'll let them work and be restricted at home paying a fee to the state for each day out.

"We will be very restrictive of their activities.

"We'll have an officer who will oversee no more than 30 offenders each. Anyone who violates the rules of the program will be locked up".

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The Judge wants to help some of these offenders get better educated. "If we can move a man up one or two educational levels this helps prevent crime, too."

Judge Reviere says that in this program he can keep someone in a county jail for \$5000 a year, for about one-third of the cost of a state prison. In some cases, the cost may be reduced to \$1500 a year, about one-tenth the cost of state prison.

Of course, all violent offenders should be locked away.

I would not want anyone to forget that we already have been building new prison beds right and left since I became Governor.

We have added nearly 3000 new beds since 1979. Nearly 500 more will be coming on at new work camps in Lake County, Wayne County and Carter County. Since our rated capacity is about 7100, that means we have built almost half our prison beds in the last six years.

Part of the new building program has been to reduce the overcrowding problem that the state has always had. We are determined to correct that overcrowding. In fact, last Friday, we reached the number the court said we should reach by next October.

But at our present rate of receiving new prisoners, if we simply sat back and did nothing unusual, we would be adding to the total number of state prisoners at the rate of about 1000 a year.

What does all of this cost?

A new medium security prison costs about \$40 million to build. For one thing, that's as much as we spend on new buildings and maintenance on all of our higher education campuses this year.

It's more than we are spending to build the new library at UT-Knoxville.

It's four times what we're spending on our new basic skills computer program that trains 60,000 children each year -- the most extensive program in America -- giving them a chance to grow up with a little advantage in life.

It also costs another \$15 million a year to operate a prison with 1,000 more in it.

Fifteen million dollars would about pay for an average \$286 raise for every Tennessee teacher.

That's also almost as much as we are spending to operate our 27 area vocational schools. They teach thousands of adults basic skills, computer skills and new job skills.

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We are determined to reach our corrections goals by the end of 1986:

- No overcrowding for the first time that anyone can remember;
- Every corrections officer a graduate of the training academy. None had training before;
- Higher pay for those officers. The lowest paid officer today makes more than the highest one did when I took office;
- Work or an educational activity for almost every inmate who is eligible and able;
- Better security;
- Accreditation for some of our institutions -- for the first time ever -- and a goal of accrediting them all;
- Minimal or no interference by the federal courts instead of being in the middle of two massive lawsuits which was the case six years ago.

But reaching these goals is not the most difficult problem. The toughest job is to find a way to punish everyone who needs punishment without destroying funding for our other important state programs.

The other duty we owe the taxpayers is to make sure our sentencing laws do what we meant for them to do. The Class X Crimes bill enacted in 1979, for example, was designed to make sentences more certain. The people convicted under the Class X law are exactly the people we want in state prisons. The judge-sentencing law that was adopted last year was set up to make sentences more uniform. But neither new law intended to make sentences longer. The Legislature should review the operation of the Class X and Judge Sentencing laws to determine if they do what they are supposed to do, and if they do not, make appropriate adjustments.

But if Judge Reviere's idea or ideas like it do not work -- and if nothing else changes -- by 1990 the state will have to build new prisons for 5000 inmates at a cost of \$200 million and an annual operating cost of about \$75 million.

We must make sure we have enough capacity for violent offenders who belong in prison. So with \$12 million of the recurring surplus money, I will ask you to permit Commissioners McCullough and Pellegrin - with the Building Commissioner's approval - to find the least expensive way to acquire space for up to 800 more medium security prisoners in addition to the capacity we already have planned. That will bring our capacity to about 8400 by the end of 1986.

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The alternatives to new capacity are to overcrowd the prisons - which is illegal - or continue the early release program as it has been - which is simply unacceptable.

We have about reached the point at which, for the first time, our prisons are not overcrowded. But that only means that as one person goes in one person must come out. And, today we have more going in than we have coming out. We need the extra capacity.

But there is no need to let all of these offenders who are non-violent rip off the taxpayers twice.

Therefore, in addition to the \$12 million necessary to lock up more violent prisoners, I recommend that the Legislature appropriate \$1 million on a recurring basis for programs for non-violent offenders in other parts of Tennessee like the one Judge Reviere and General Summers are starting. Commissioner Pellegrin will begin immediately to contact other local enforcement officials who wish to organize such efforts.

\* \* \* \* \*

To shape the future, we need to start now.

\* To build a brand new tax system, the Legislature should pass a resolution this year setting in motion the first step of the constitutional process;

\* To get more parent involvement in the schools, every school board should begin now looking for ways to give parents a greater choice of public schools.

\* To complete and upgrade our state road system the Department of Transportation and Legislature should begin now to agree on a plan so that the new money can be provided in 1985 or 1986;

\* To properly punish criminals, we need money now for new capacity and for programs to punish non-violent offenders at a lower cost.

I am proud of the way Tennesseans are looking at themselves today and of the way Americans are looking at Tennessee.

And Tennesseans are proud of the Legislature's willingness to look ahead, to shape the future, to get ready for the 1990's.

They don't want us to sit on our little lead.

They want us to move on ahead, now.

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Mr. President Wilder relinquished the Chair to Mr. Speaker McWherter, President of the Joint Convention.

Mr. President McWherter expressed thanks to Governor Alexander.

The purpose for which the Joint Convention was called having been accomplished, Mr. President McWherter declared the Joint Convention dissolved.

The Senate repaired to the Senate Chamber.

The House was called to order by Mr. Speaker McWherter.

Thereupon, pursuant to Mr. Naifeh's earlier motion, Mr. Speaker McWherter declared the House adjourned until 2:00 p.m. Wednesday, March 6, 1985.